

**MINUTES OF THE WORKSHOP BOARD MEETING
OF THE BOARD OF DIRECTORS OF
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)
WITH THE MWDOC MET DIRECTORS**

April 4, 2007

At 8:30 a.m., Vice-President Clark called to order the Regular Workshop Board Meeting of the Board of Directors of Municipal Water District of Orange County (MWDOC) at the District facilities located in Fountain Valley. Director Royce led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

Ed Royce, Sr.
Brett R. Barbre
Wayne A. Clark
Larry Dick* (absent)
Ergun "Eric" Bakall*
Joan Finnegan
Susan Hinman(absent)

MWDOC STAFF

Kevin Hunt, General Manager (absent)
Karl Seckel, Assistant General Manager
Maribeth Goldsby, Board Secretary
Dan Payne, Legal Counsel
Deven Upadhyay, Principal Analyst
Matt Stone, Assoc. General Manager
David Cordero, Dir. of Governmental Affairs
Richard Bell, Principal Engineer

*Also MWDOC Met Directors

OTHER MWDOC MET DIRECTORS

Jack Foley
Steve Anderson

MWDOC Met Director
MWDOC Met Director

OTHERS PRESENT

Bob Moore
Dick Dietmeier
Mike Dunbar
Vikki Beatley
Trudy Ohlig-Hall
Peer Swan
John Kennedy
Mark Stadler
Steve Arakawa
Jason Gianquinto

South Coast Water District
South Coast Water District
South Coast Water District
Mesa Consolidated Water District
Mesa Consolidated Water District
Irvine Ranch Water District
Orange County Water District
San Diego County Water Authority
MET
GHD

PUBLIC PARTICIPATION/PUBLIC COMMENTS

Vice President Clark announced members of the public wishing to comment on agenda items could do so after the item has been discussed by the Board and requested members of the public identify themselves when called on. Mr. Clark asked whether there were any comments on other items which would also be heard at this time.

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize item(s), which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present or, if less than two-thirds of the Board members are present, a unanimous vote.)

No items were presented.

PRESENTATION**PRESENTATION BY STEVE ARAKAWA (MET) REGARDING BAY DELTA ISSUES**

Mr. Steve Arakawa presented information regarding Bay Delta issues. His presentation included an overview of the recent lawsuit (Watershed Enforcers, et al. v. California Department of Water Resources, et al.) and the proposed Statement of Decision which may impact Delta pumping. He provided background information and reasoning behind the lawsuit (Delta Smelt population), options available for addressing the outcome, and MET's involvement.

Considerable discussion ensued regarding the fact that the existing Delta system is not capable of both providing a reliable water supply and addressing the fishery issues. The Board also discussed the problems at the pumps with the fish entering the system, as well as MET's involvement and contingency plans in the event there is a cease and desist order on the Delta's operations. Members of the Board emphasized the need to develop a plan for pumping water around the Delta, rather than through the Delta. The Board also discussed MET's available storage, possible storage locations, MET's position on surface storage south of the Delta (this point will be addressed in the near future), availability of water in a worst-case scenario, and the need for legislation to protect the region in the case of a dire emergency.

Trudy Ohlig-Hall (Mesa Consolidated Water District) commented that this highlights the need to develop additional supplies (such as desalination).

Peer Swan (Irvine Ranch Water District) commented that with the current levels of both the Colorado River and storage, a three year supply was not out of the question (this water could be supplemented from purchases from other agencies such as Imperial Irrigation District). Mr. Swan also commented on the MET rate and the impact to the economy in the event of a Delta failure. He believed it would be in everyone's best interest for MET to develop a plan for both additional storage and a Delta fix.

Mr. Arakawa then distributed, and reviewed with the Board, a brochure on Delta Emergency Preparedness, a plan for reducing risks associated with a major earthquake in the Delta. He advised that (in April) the MET Board would consider approving a plan of action in the event of a catastrophic emergency affecting the Delta (along with the State Water Contractors).

Following discussion, Vice President Clark thanked Mr. Arakawa for his presentation.

TRACKING AND DISCUSSION OF MET ITEMS CRITICAL TO ORANGE COUNTY

Vice President Clark stated that the matrix outlining the MET items critical to Orange County was included in the packet.

a. Integrated Area Studies (IAS)

No additional information was reported.

b. Local Resources Program (LRP) Review

Mr. Deven Upadhyay, Principal Engineer, reported that the staff-recommended option (an open process with a sliding scale) would be presented to MET's Water Planning & Stewardship Committee on April 9, 2007. Mr. Matt Stone, Associate General Manager, commented that this item was reviewed by MWDOC's member agencies, who are also in favor of this option.

Director Clark requested that staff provide a summary list of all of the potential projects under the LRP. Director Bakall suggested that the more cost effective projects have a higher priority to receive funding.

c. Metropolitan's Long Range Finance Plan

Mr. Upadhyay reported that the next meeting regarding MET's Long Range Finance Plan would be held April 25, 2007.

Director Bakall requested clarification on a letter from General Manager Hunt to Brian Thomas regarding this issue; with staff noting that the letter outlined general suggestions, not policy principles. It was noted that the suggestions outlined in the letter would be reviewed with MWDOC's Administration & Finance Committee.

d. Colorado River

No new information was presented.

d. Bay Delta

It was noted that this item was discussed previously in the meeting.

The Board then discussed MET issues critical to Orange County which were not included in the matrix.

Director Barbre commented on the Central Pool Augmentation Project and questioned whether MET had completed its borehole drilling in the Cleveland National Forest, with Mr. Upadhyay responding that the results of this effort would be released in late summer or fall 2007. Mr. Barbre believed that this issue was of utmost importance to the region, and he requested that the Central Pool Augmentation Project be added to the matrix in future months.

METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

- a. Summary regarding March MET Board Meeting**
- b. Review items of significance for the April MET Board and Committee Agendas**

The Board received and filed the summary of actions taken at the March MET Board meeting as well as the April MET Board agenda.

Mr. Upadhyay highlighted item 8-19 (Approve water policy principles for statewide water management) for the Board's information.

DIRECTORS' REPORTS

- a. MET Directors**

Director Bakall announced that MET would hold a Board retreat April 12-14, 2007.

- b. MWDOC Directors**

No reports were made.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 9:47 a.m.

APPROVED:

Wayne Clark, Vice President

Maribeth Goldsby, Board Secretary